

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 7224

BILL NUMBER: SB 551

NOTE PREPARED: Jan 17, 2007

BILL AMENDED:

SUBJECT: Indiana health informatics corporation.

FIRST AUTHOR: Sen. Dillon

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ___**GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Pending

Summary of Legislation: Establishes the Indiana health informatics corporation (IHIC). Provides that the IHIC is a body politic and corporate. Requires the IHIC to encourage, facilitate, and assist in the development and operation of health informatics functions in Indiana. Provides that the IHIC is governed by a board consisting of the following seven members: (1) The secretary of family and social services, or the secretary's designee. (2) The state health commissioner, or the state health commissioner's designee. (3) Five individuals appointed by the governor. Authorizes the IHIC board to appoint any advisory panels that the board considers useful in advising the board and the corporation on issues determined by the board. Requires the IHIC to do the following: (1) Assist in the development of a statewide health information exchange system. (2) Assist users of the statewide health information exchange system and other interested parties in developing and adopting standards. (3) Develop programs and initiatives to promote and advance the exchange of health information. (4) Recommend policies and legislation that advance the development and efficient operation of the statewide health information exchange system. (5) Report on Indiana's progress toward implementing the statewide health information exchange system. Requires the IHIC's plan to create the statewide health information exchange system to provide for procedures and security policies to ensure compliance with the federal Health Insurance Portability and Accountability Act (HIPAA), protection of information privacy, and the use of information in the system only in accordance with HIPAA and as required by public health agencies. Requires the state board of accounts to examine the IHIC and its funds, accounts, and financial affairs. Specifies that the IHIC is subject to the open door law and the public records law. Provides that the IHIC may adopt any necessary bylaws, rules, guidelines, and policies to carry out its duties without complying with the statutory rule adoption process. Provides that the IHIC shall determine qualifications, duties, compensation, and terms of service for persons employed by the IHIC. Prohibits the IHIC from issuing bonds or other debt obligations. Authorizes the IHIC to make grants, loans, and loan guarantees. Authorizes the IHIC to establish a nonprofit subsidiary to solicit and accept private sector funding. Provides

that the IHIC is abolished on June 30, 2015.

Effective Date: Upon passage.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Kathy Norris, 317-234-1360.